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2 **STATE OF NEVADA**

3 **DEPARTMENT OF BUSINESS AND INDUSTRY**

4 **DIVISION OF MORTGAGE LENDING**

5
6 In re:

7 BM Real Estate Services, Inc.
8 dba Priority Financial Network,

9 Respondent.

10 **NOTICE OF INTENT TO IMPOSE FINE**
11 **AND NOTICE OF RIGHT TO REQUEST HEARING**

12 The licensing and regulation of mortgage brokers, mortgage bankers and escrow
13 agencies in the State of Nevada is governed by Chapter 645B, Chapter 645E and Chapter
14 645A, respectively, of the Nevada Revised Statutes (hereinafter "NRS"), and Chapter 645B,
15 Chapter 645E and Chapter 645A, respectively, of the Nevada Administrative Code
16 (hereinafter "NAC"). The State of Nevada, Department of Business and Industry, Division of
17 Mortgage Lending (hereinafter the "Division") has the general duty to exercise supervision and
18 control over mortgage brokers, mortgage bankers and escrow agencies pursuant to these
19 chapters. Pursuant to that authority, the Division makes the following Factual Allegations,
20 Violations of Law, and Order, as follows:

21 **FACTUAL ALLEGATIONS**

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23 1. Based upon information and belief and at all relevant times herein mentioned,
24 BM Real Estate Services, Inc. dba Priority Financial Network (hereinafter "Respondent") was
25 and is a foreign California corporation since on or about December 18, 2006. Currently,
26 Respondent's status with the Nevada Secretary of State is "active."

27 2. Pursuant to NRS 645E, Respondent was issued a mortgage banker license
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1 (License No. 2619) on March 30, 2007. Currently, Respondent's status with the Division is
2 "active."

3 3. Based upon information and belief and at all relevant times herein mentioned,
4 Respondent was licensed to conduct mortgage banker activity out of an office located at 3243
5 E. Warm Springs, #115, Las Vegas, Nevada 89120 (hereinafter "Warm Springs Office").

6 4. Pursuant to 645E.300 "[i]n addition to the other duties imposed upon him or her
7 by law, the Commissioner shall...conduct an annual examination of each mortgage banker
8 doing business in this State..." See NRS 645E.300(2)(d).

9 5. Pursuant to NRS 645E.300(2)(d), the Division commenced an examination of
10 Respondent on April 23, 2010 which revealed, among other things, that Respondent
11 conducted mortgage banker activity from an unlicensed office located at 5016 N. Parkway,
12 #200 Calabasas, CA 91302, as evidenced by the origination of at least one loan for borrower
13 GG.
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15 6. Pursuant to NRS 645E.200, "[a] person who wishes to be licensed as a
16 mortgage banker must file a written application for a license with the Office of the
17 Commissioner... An application for a license as a mortgage banker must... [s]tate the name,
18 residence address and business address of the applicant and the location of each principal
19 office and branch office at which the mortgage banker will conduct business in this State,
20 including, without limitation, any office or other place of business located outside this State
21 from which the mortgage banker will conduct business in this State." See NRS
22 645E.200(1)(b).
23

24 7. Pursuant to NRS 645E.200, "[i]f a mortgage banker will conduct business in this
25 State at one or more branch offices, the mortgage banker must apply for a license for each
26 such branch office." See NRS 645E.200(2).
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28 8. Pursuant to NRS 645E.670, "[f]or each violation committed by a licensee, the

Commissioner may impose upon the licensee an administrative fine of not more than \$10,000, may suspend, revoke or place conditions upon the license, or may do both, if the licensee, whether or not acting as such... Does not conduct his or her business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner." See NRS 645E.670(2)(c).

VIOLATIONS OF LAW

After examination, the Division determined that Respondent conducted unlicensed mortgage banker activity from an unlicensed office location in Calabasas, California, in violation of NRS 645E.200(1) and NRS 645E.200(2), as applicable.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that, pursuant to NRS 233B.121 and NRS 645B.750(2), NRS 645E.750(2) or NRS 645A.100(2), as applicable, upon the timely filing of an application with the Division within **twenty (20) days** of the date of this Order, Respondent shall be entitled to a hearing with regard to the contents of this Order. At that hearing, the Division will seek:

a. The imposition of an administrative fine against Respondent in the amount of Five Thousand Dollars and No Cents (\$5,000.00) for Respondent's violations of NRS Chapter 645E, as well as the Division's administrative costs and attorney's fees, if any, incurred herein, each to be proven at the hearing or upon the filing of a proper affidavit; and

b. Respondent's payment, in full, of the administrative fine, costs and fees to the Division within **thirty (30) days** of entry of the Final Order.

Should Respondent request a hearing, Respondent is advised of the following:

a) Respondent is entitled to be represented by legal counsel at its own cost and expense; b) At any hearing Respondent shall be entitled to respond and to present evidence and argument on all issues involved; c) Requests may be made to the Commissioner for the issuance of

1 subpoenas, however, the Commissioner may request the proposed testimony of any such
2 person prior to the issuance of the subpoena; and d) Unless precluded by law, the parties may
3 agree to an informal resolution or settlement prior to any hearing.

4 Should Respondent not request a hearing within **twenty (20) days** of the date of this
5 Order, the Division will enter a Final Order in this matter against Respondent, as otherwise
6 required by law.

7 Dated this 11th day of October, 2010.

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9 State of Nevada
10 Department of Business and Industry
11 Division of Mortgage Lending

12 By: Joseph L. Waltuch
13 Joseph L. Waltuch, Commissioner
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CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending, and that on, October 12, 2010, I deposited in the U.S. mail, postage prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of the foregoing, NOTICE OF INTENT TO IMPOSE FINE AND NOTICE OF RIGHT TO REQUEST HEARING for BM REAL ESTATE SERVICES, INC. DBA PRIORITY FINANCIAL NETWORK, addressed as follows:

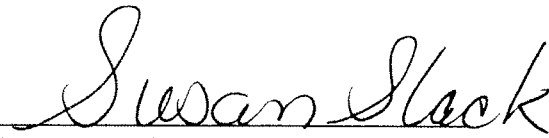
Ila Kripalani
Priority Financial Network
3243 East Warm Springs, Bldg. 25, Suite 115
Las Vegas, NV 89120

Certified Receipt Number: 7008 1830 0002 7959 6502

Mark Shenkman
Priority Financial Network
5016 N. Parkway Calabasas #200
Calabasas, CA 91302

Certified Receipt Number: 7008 1830 0002 7959 6519

DATED this 11th day of October, 2010

By: 
Employee of the Division